



Maryland Homefront: The Veterans and Military Family Mortgage Program (July 1, 2014)

FACT SHEET

PURPOSE: To help current and former military homebuyers purchase a home by offering a lower-than-market interest rate.

DATE: The program starts on 7/01/2014

DOWNPAYMENT AND CLOSING COST ASSISTANCE:

\$5,000 of Down Payment Assistance (DPA) from the Maryland Mortgage Program (MMP) in the form of a zero percent deferred loan. This can be combined with funds from applicable MMP Partner Match programs and available assistance from local jurisdictions.

MARYLAND HOMECREDIT PROGRAM (MHCP):

can be used in conjunction with Maryland Homefront. As an additional incentive, CDA will waive the fee for the mortgage credit certificate (MCC) associated with a Maryland Homefront loan. Lenders may continue to charge their MCC fee (please refer to Directive 2014-19 for maximum fees).

LOCATION: Anywhere in the State of Maryland.

INTEREST RATES: The interest rate is **25 bps (0.25%) below** each of the MMP interest rates for conventional and government insured loans.

The interest rate reduction cannot be used in conjunction with any Regional Specials offered in selected counties. The borrowers can benefit from either a ¼% interest rate reduction as a Maryland Homefront loan OR a ¼% interest rate reduction for a Regional Special.

ELIGIBLE MD HOMEFRONT BORROWERS:

- The program is open to active duty military (including Reserves and National Guard) or honorably discharged veterans. Active duty status will be documented by submission of a current Leave and Earnings Statement (LES) and confirmed through the Department of Defense Manpower Data Center site (<https://www.dmdc.osd.mil/appj/scra/scraHome.do>). Veteran status will be confirmed by submission of a Certificate of Release or Discharge From Active Duty form (DD-214). Qualification for a VA loan is not required.

- Must qualify for an MMP loan, i.e. credit score, income limitations, etc. All borrowers must take approved homebuyer education and utilize an approved lender. For more information on general MMP requirements, go online to <http://mmp.maryland.gov/Lenders/Pages/Fact-Sheets.aspx> or browse the MMP website at www.mmp.maryland.gov.

FIRST TIME HOMEBUYER REQUIREMENT:

While MMP loans generally are limited to first-time homebuyers, the requirement is waived if:

- Borrower is purchasing in a targeted area (see <http://mmp.maryland.gov/Pages/Targeted-Areas.aspx> for more information on targeted areas);
- It has been more than three years since borrower has owned a principal residence; or
- Borrower is an honorably discharged veteran who has not previously used the first-time homebuyer exemption. This is in accordance with the Heroes Earnings Assistance and Relief Tax Act of 2008, as amended. A DD-214 form must be submitted to document veteran status, and a Veteran First Time Homebuyer Exemption form (Attachment V) must be completed.